SUPREME COURT, U. S.

AUG 2 1972

CLERK

IN THE

Supreme Court of the United States

October Term, 1971.

No. 71-1501

GLOBE LIQUOR CO., a
Delaware Corporation,

Petitioner,

v.

FOUR ROSES DISTILLERS COMPANY,
a Division of Joseph E. Seagram & Sons, Inc.,

Respondent.

Petition for a Writ of Certiorari to the Supreme Court of the State of Delaware.

H. ALBERT YOUNG,
BRUCE M. STARGATT,
Counsel for Petitioner.

Of Counsel:
YOUNG, CONAWAY, STARGATT & TAYLOR,
Wilmington, Delaware.

International, 711 So. 50th St., Phila., Pa. 19143—Tel. SA 7-8711 Area Code 215

INDEX TO BRIEF.

	Page
OPINION BELOW	2
JURISDICTION	2
QUESTIONS PRESENTED	3
Background to Questions Presented	3
CONSTITUTIONAL PROVISIONS AND DELAWARE STATUTE INVOLVED	5
STATEMENT OF THE CASE	6
REASONS FOR GRANTING THE WRIT	8
CONCLUSION	12
APPENDICIES:	
APPENDIX A	13
APPENDIX B	24
APPENDIX C	31

TABLE OF CITATIONS.

Cases Cited: Page

Fornaris v. Ridge Tool Co., — U. S. —, 27 L. Ed. 2d 174, 91 S. Ct. — (1970) 8
Home Building and Loan Association v. Blaisdell, 290 U. S. 398, 78 L. Ed. 413, 54 S. Ct. 231 (1934) 9

Statutes Cited:

"Auto Dealer Day in Court Act", 15 U. S. C. § 1221, et seq. ... 9
Delaware Franchise Security Law, Title 6, Delaware Code, §§ 2551, et seq. 3, 4, 6, 7, 10
28 U. S. C. § 1257(3) 2

United States Constitution:

Article I, Section 10 .....3, 5, 7, 8
Fourteenth Amendment 3, 5, 7, 10, 11

Authorities Cited:

Business Week: January 3, 1970, p. 15; January 31, 1970, p. 30; April 4, 1970, p. 26 9
Dun's Review, 93:36, January 8, 1969 9
Fortune, "Franchising's Troubled Dream World", Charles G. Burch, March 1970, p. 116 9
Journal of Retailing, 44:21, Winter 1968, 1969 9

IN THE

Supreme Court of the United States

OCTOBER TERM, 1971.

No.

GLOBE LIQUOR CO., A DELAWARE CORPORATION,
Petitioner,

v.

FOUR ROSES DISTILLERS COMPANY, A DIVISION OF JOSEPH E. SEAGRAM & SONS, INC.,
Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE SUPREME COURT OF THE STATE OF DELAWARE.

Petitioner, Globe Liquor Co., a Delaware corporation ("Globe") prays that a writ of certiorari issue to the Supreme Court of the State of Delaware to review its decision in this case.

OPINION BELOW.

The opinion of the Supreme Court of the State of Delaware is set forth in the Appendix A hereto at pp. 13 to 23. It will be published in the official Delaware Reports and the West Publishing Company's Atlantic Reporter, but owing to the recency of the decision it has not yet been reported. Hence, no official citation is available.

JURISDICTION.

The Order of the Supreme Court of the State of Delaware was entered on July 20, 1971, and is set forth in Appendix C hereto at pp. 31 and 32. The jurisdiction of this Court is invoked under 28 U. S. C. § 1257(3).

QUESTIONS PRESENTED.

1. Does the Delaware Franchise Security Law, Title 6, Delaware Code, §§ 2551, *et seq.*, violate Section 10, Article I of the Constitution of the United States?

2. Does the Delaware Franchise Security Law, Title 6, Delaware Code, §§ 2551, *et seq.*, violate the Fourteenth Amendment to the Constitution of the United States?

* * *

Background to Questions Presented.

The Delaware General Assembly has enacted what is known as the "Delaware Franchise Security Law", Title 6, Delaware Code, §§ 2551, *et seq.* The full text of this somewhat lengthy statute is set forth in Appendix B, pp. 24 to 30, *infra*, and a summary of the statutory provisions is included here in order to assist this Court in its understanding of the constitutional questions presented.

The purpose of the Delaware Franchise Security Law, as set forth in the preamble thereof, is to protect certain specified and economically dependent classes of franchisees from terminations and threatened terminations of their franchise agreements after they have been required to expend a minimum sum of money and time to create a favorable market for the products, trademarks and trade names of their suppliers and licensors. A franchisor may not unjustly terminate a franchise, or unjustly fail to renew a franchise, or unjustly refuse to deal with a franchised distributor with whom said franchisor has been dealing for at least two years. Such conduct shall be deemed to be unjust if it is without good cause or in bad faith.

If a franchisor engages in the prohibited conduct, the franchised distributor who is threatened thereby shall be entitled to damages and injunctive relief, subject to general equitable principles. When warranted, the damages allow-